

## Message Text

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67

ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W  
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R 131853Z JAN 76  
FM AMEMBASSY LONDON  
TO SECSTATE WASHDC 8067  
INFO USLO PEKING

C O N F I D E N T I A L LONDON 00577

EXDIS

E.O. 11652: XGDS-1  
TAGS: PFOR ESTC MILI CH UK  
SUBJECT: UK SPEY ENGINE SALE TO PRC

REF: STATE 6148

1. EMBOFF DISCUSSED QUESTIONS RAISED REFTEL WITH JOHN CLOAK, HEAD, TRADE RELATIONS & EXPORT DEPT., FCO.
2. CLOAK SAID THAT PRIOR TO PUBLIC ANNOUNCEMENT OF SPEY CONTRACT HMG MADE BILATERAL APPROACHES TO AUSTRALIA, NEW ZEALAND, INDIA, MALAYSIA, SINGAPORE, AND TO COCOM PARTNERS IN RESPECTIVE CAPITALS AS WELL AS AT MEETING IN PARIS. ALL CONTACTS WERE REPORTED AS BEING RELAXED ABOUT THE TRANSACTION WITH EXCEPTION OF OURSELVES, ALTHOUGH JAPANESE AND GERMANS EXPRESSED SOME MISGIVINGS ABOUT EFFECT ON COCOM MECHANISM. HOWEVER, JAPANESE AND GERMAN DELEGATES IN PARIS NOTED THAT IF THERE WERE ANY FURTHER CONTACTS ON THE MATTER THEY WOULD BE MADE ON A BILATERAL BASIS. WE APPARENTLY WERE ALONE IN TRYING TO GET UK TO SUBMIT DECISION TO COCOM. UNTIL EMBOFF CALL BRITISH HAD HEARD NOTHING FURTHER ON MATTER FROM ANY SOURCE.

3. UK EMBASSY MOSCOW AUTHORIZED TO RAISE MATTER WITH SOVIETS IF THEY DEEMED IT "ADVISABLE". EMBASSY DID NOT UTILIZE THIS AUTHORITY AND SOVIETS HAVE NOT RAISED ISSUE
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WITH BRITISH.

4. CLOAK SAID HE UNABLE DISCUSS DETAILS OF SPEY CONTRACT DUE TO COMMERCIAL SENSITIVITIES. WAS ABLE TO TELL US THAT HMG ALD ROLLS ROYCE HAD RECEIVED ASSURANCES ABOUT EXCLUSITE USE OF THE ENGINES IN CHINA WHICH THEY REGARDED AS SATISFACTORY FROM BOTH A COMMERCIAL AND SECURITY POINT OF VIEW. CLOAK WENT ON TO POINT OUT THAT FIRST DELIVERY OF ENGINES WOULD PROBABLY TAKE ABOUT THREE YEARS. IF, AS NOW SEEMED PROBABLE, THE FACTORY WHICH WOULD PPRODUCE THE ENGINES WAS GOING TO BE CONSTRUCTED FROM SCRATCH IN SIAN, THEN PRODUCTION COULD NOT POSSIBLY BEGIL FOR ABOUT FIVE YEARS. BY THE TIME THE CHINESE GOT INTO FULL PRODUCTION SPEY TECHNOLOGY WOULD BE PRETTY OLD.

5. CLOAK CONCLUDED INTERVIEW BY REITERATING UK INTEREST IN MAINTAININE STRATEGIC CONTROLS AND SPECIFICALLY THE COCOM MECHANISM. HE ALSO NOTED THAT IF WE HAD SPECIFIC QUERIES ABOUT CONTRACT DETAILS HE WOULD BE PREPARED TO DISCUSS RELEASING SUCH INFORMATION WITH THE MANAGEMENT OF ROLLS ROYCE.

RICHARDSON

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NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SALES, AIRCRAFT ENGINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 JAN 1976  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Subject:** UK SPEY ENGINE SALE TO PRC  
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**To:** STATE  
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